

AGREEMENT BETWEEN  
THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND  
THE GOVERNMENT OF THE FEDERAL REPUBLIC OF NIGERIA  
REGARDING THE REDUCTION OF CERTAIN  
DEBTS OWED TO, GUARANTEED BY, OR INSURED BY THE  
UNITED STATES GOVERNMENT AND ITS AGENCY

The Government of the United States of America (the "United States") and the Government of the Federal Republic of Nigeria ("Nigeria") agree as follows:

## ARTICLE I

### Application of the Agreement

1. In accordance with the recommendations contained in the Agreed Minutes on the Consolidation of the Debt of the Federal Republic of Nigeria, signed at Paris on October 20, 2005, (hereinafter referred to as the "Minute") by representatives of certain nations, including the United States (hereinafter referred to as the "Participating Creditor Countries"), and by the representative of Nigeria, the United States and Nigeria agree to a comprehensive treatment of Nigerian debts owed to, guaranteed by, or insured by the United States Government and the Export-Import Bank of the United States ("Ex-Im Bank"), as set forth in this Agreement.

## ARTICLE II

### Definition

1. The "Date of Settlement" for purposes of this Agreement means the date of approval of the 1st review under the Policy Support Instrument by the Executive Board of the International Monetary Fund plus 20 business days and, in any case, not later than May 31, 2006.

## ARTICLE III

### Special Deposit Accounts

1. To implement this Agreement, Nigeria has instructed the Central Bank of Nigeria to open five (5) Special Deposit Accounts to the benefit of the United States on the books of the Bank of International Settlements (BIS), headquartered in Basel, Switzerland.

2. At the date of signature of this Agreement, Nigeria asserts that the payment referred to in Article IV, paragraph 1, has been made to Ex-Im Bank and that the payments referred to in Article IV, paragraphs 2 and 3, have been deposited in the relevant BIS Special Deposit Account to the benefit of the United States. Any amounts due under Article IV, paragraph

4, prior to entry into force of this Agreement shall be paid by Nigeria into the relevant Special Deposit Account(s) to the benefit of the United States at the BIS. The entry into force of this Agreement is sufficient to instruct the BIS, upon demand and presentation of this Agreement by the Paris Club Chairman pursuant to Section 4(a) of the Depository and Escrow Agreement concluded on October 31, 2005 between the Central Bank of Nigeria and the BIS, to debit the relevant Special Deposit Account(s) and to credit the United States with those sums (plus any interest accruing on those sums and paid by the BIS). The Nigerian Government acknowledges and agrees that its consent or agreement to payment of those sums by the BIS is not necessary.

3. As required by Section 4(a)(ii) of the October 31, 2005 Depository and Escrow Agreement between the Central Bank of Nigeria and the BIS, the BIS shall make all disbursements relating to this bilateral Agreement in accordance with the terms of the Depository and Escrow Agreement concluded between the Central Bank of Nigeria and the BIS.

4. Any amounts due under Article IV after entry into force of this Agreement and after presentation of this Agreement to the BIS under paragraph 2 of this Article shall be paid by Nigeria directly to Ex-Im Bank, without transiting through the BIS or any BIS Special Deposit Account(s).

## ARTICLE IV

### Terms and Conditions of Payment

1. Consistent with Article II-2.A of the Minute, Nigeria agrees to pay \$4,361,736 to Ex-Im Bank no later than October 31, 2005.

2. Consistent with Article II-2.B.1 and 2 of the Minute, Nigeria agrees to pay \$167,951,459 to Ex-Im Bank no later than October 31, 2005.

3. Consistent with Article II-2.C.a. of the Minute, Nigeria agrees to pay \$32,052,327 to Ex-Im Bank no later than December 12, 2005.

4. Consistent with Article II-2.D.1 and 3 of the Minute, Nigeria agrees to pay \$151,674,791 to Ex-Im Bank no later than the Date of Settlement.

## ARTICLE V

### Debt Cancellation

1. Upon receipt by Ex-Im Bank of the payments due under Article IV, paragraphs 1 and 2 (plus any interest that may have accrued on those amounts in BIS Special Deposit Accounts), the United States will cancel \$253,662,965 in debts owed by Nigeria to Ex-Im Bank as of September 15, 2005.
2. Upon receipt by Ex-Im Bank of the payments due under Article IV, paragraphs 3 and 4 (plus any interest that may have accrued on those amounts in BIS Special Deposit Accounts) and satisfaction of the requirements of Article VI, paragraph 2, the United States will cancel \$261,349,721 in debts owed by Nigeria to Ex-Im Bank as of September 15, 2005.
3. If all of the above conditions for entry into force of all phases of the debt reduction are not met, all amounts due and payable under the original Contracts, after application of payments received by Ex-Im Bank pursuant to Article IV and any cancellation made pursuant to Article V paragraph 1, shall be due and payable according to the terms of such Contracts. Late interest will be charged on those amounts from the original due dates up to the date of payment.
4. Upon satisfactory implementation of paragraphs 1 and 2 of this Article, any remaining debt owed by Nigeria to Ex-Im Bank is immediately cancelled.

## ARTICLE VI

### General Provisions

1. Nigeria commits to seek promptly from all its external creditors, including banks and suppliers, comprehensive debt treatment on terms comparable to those set forth in this Agreement, while trying to avoid discrimination among different categories of creditors, all as set forth in the Minute. Nigeria commits to accord all categories of creditors a treatment

not more favorable than that accorded to the United States for debts of comparable maturity.

2. The provisions of Article V, paragraphs 2 and 4, of this Agreement shall apply, provided that the Executive Board of the International Monetary Fund (IMF) has approved the 1st review under Nigeria's Policy Support Instrument no later than May 31, 2006. The Chairman of the Paris Club will inform Nigeria of this paragraph taking effect.

3. Nigeria agrees to continue to allow unrestricted and immediate transfer of the foreign exchange counterpart of all amounts paid in local currency by private debtors in Nigeria for servicing their foreign debt owed to, guaranteed by or insured by the United States and its Agency.

4. With respect to amounts owing to Ex-Im Bank under this Agreement, Ex-Im Bank and Nigeria (referred to as the "Government" in Annex A hereto) agree to the additional terms and conditions set forth in Annex A.

5. The United States has committed to communicate a copy of this Agreement to the Chairman of the Paris Club. The Nigerian Government acknowledges this arrangement.

## ARTICLE VII

### Suspension, Modification or Termination

1. The United States may suspend or terminate this Agreement by giving sixty (60) days written notice to Nigeria if the Participating Creditor Countries determine that Nigeria has not met its obligations under the Minute, including those of comparable treatment.

2. If the United States terminates all or part of this Agreement, all amounts, which are due and payable under the original Contracts, (after application of payments received by Ex-Im Bank pursuant to Article IV and any cancellation made pursuant to Article V, paragraph 1) shall be payable according to the terms of such Contracts. Late interest will be charged on those amounts from the original due dates up to the date of payment, following notification to Nigeria of the United States' exercise of this right of termination.

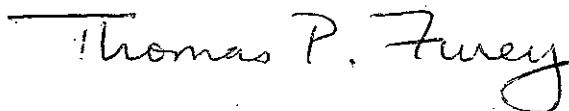
3. This Agreement may be amended or modified by mutual consent of the United States and Nigeria.

## ARTICLE VIII

### Entry into Force

This Agreement shall enter into force following signature and receipt by Nigeria of written notice from the United States that all necessary domestic U.S. legal requirements for entry into force of the Agreement have been fulfilled.

Done in Abuja, this 17<sup>th</sup> day of December 2005.



FOR THE GOVERNMENT OF THE  
UNITED STATES OF AMERICA

THOMAS P. FUREY



FOR THE GOVERNMENT OF  
THE FEDERAL  
REPUBLIC OF NIGERIA

NGOZI OKONJO-IWEALA

## Annex A

### ADDITIONAL TERMS AND CONDITIONS WITH RESPECT TO AMOUNTS OWED TO EX-IM BANK

The Government of the Federal Republic of Nigeria, (hereinafter referred to as the "Government"), agrees to the following additional terms and conditions with respect to the amounts owing to Ex-Im Bank, guaranteed by Ex-Im Bank, or insured by Ex-Im Bank, pursuant to the attached Agreement between the United States of America and the Government:

#### A. Definitions.

1. "Business Day" means any day on which the Federal Reserve Bank of New York is open for business.

#### B. Payments.

1. Funds and Place of Payment. All payments to be made by the Government to Ex-Im Bank under this Agreement shall be made in United States dollars in immediately available and freely transferable funds to the Federal Reserve Bank of New York for credit to Ex-Im Bank's account at the U.S. Treasury Department as identified below or as otherwise directed in writing by the Treasurer-Controller or an Assistant Treasurer-Controller of Ex-Im Bank.

US Treasury Department

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EXPORT-IMPORT BANK

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2. Payment on a Non-Business Day. Whenever any payment falls due on a day which is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and interest accruing under such extension of time shall be included in the computation of Interest in connection with such payment and shall be excluded from the Interest due, if any, during the next interest period.

3. Application of Payments. Payments made by Nigeria to Ex-Im Bank under this bilateral agreement will be applied in accordance with the terms of the Comprehensive Debt Treatment as defined in Article II of the Agreed Minutes for the Consolidation of the Debt of Nigeria dated October 20, 2005.

C. Additional Interest. Any payment owing to Ex-Im Bank from BIS Special Deposit Account(s) will accrue additional interest to be paid by the BIS as specified in Article III, paragraph 2 of this Agreement.

D. Representations. The Government represents and warrants that it has taken all actions necessary or advisable under its laws and regulations to authorize the execution, delivery and performance of this Agreement and that this Agreement constitutes the valid and binding obligation of the Government, enforceable against the Government in accordance with its terms and for the performance of which the full faith and credit of the Government is pledged. The Government acknowledges that the activities contemplated by this Agreement are commercial in nature rather than governmental or public and agrees that, to the extent that it has or hereafter may acquire immunity from suit, judgment and/or execution, it will not assert or claim any such right of immunity with respect to any action by Ex-Im Bank to enforce the Government's obligations under this Agreement.

E. Events of Default. In the event that the Government fails to pay when due (a) any amount owing to Ex-Im Bank under this Agreement or (b) any amount owing under any other agreement or instrument in which any indebtedness (whether direct or indirect, contingent or otherwise) of the Government thereunder is owed to, guaranteed or insured, in whole or in part, by Ex-Im Bank, then, if, pursuant to Article VII, paragraph 1 of this Agreement, the Participating Creditor Countries determine that Nigeria has not met its obligations under the Minute, including but not limited to those of comparable treatment, Ex-Im Bank, by written notice to the Government, may make immediately due and payable the entire principal amount owing to Ex-Im Bank and outstanding under this Agreement, plus accrued Interest and Additional Interest thereon to the date of payment, and all other amounts owing to Ex-Im Bank under this Agreement.

F. Miscellaneous Provisions.

1. Disposition of Indebtedness. Ex-Im Bank may at any time sell, assign, transfer, negotiate, grant participation in, or otherwise dispose of all or any portion of the indebtedness of the Government outstanding and owing to Ex-Im Bank under this Agreement to any party, and any such party shall enjoy all the rights and



privileges of Ex-Im Bank under this Agreement. The Government shall, at the request of Ex-Im Bank, execute and deliver to Ex-Im Bank or to such party or parties as Ex-Im Bank may designate, any and all further instruments as may be necessary or advisable to give full force and effect to such disposition by Ex-Im Bank.

2. Expenses. The Government shall pay on demand all reasonable costs and expenses incurred by or charged to Ex-Im Bank in connection with or arising out of this Agreement, including without limitation costs and legal fees incurred by or charged to Ex-Im Bank in connection with the enforcement of this Agreement.

3. Communications. All communications between the Government and Ex-Im Bank under this Agreement shall be in writing, in the English language (or accompanied by an accurate English translation). All communications to Ex-Im Bank shall be addressed to Ex-Im Bank at the following address:

Export-Import Bank of the United States  
811 Vermont Avenue, N.W.  
Washington, D.C. 20571  
Attention: Treasurer-Controller  
Telex: 89461 EX-IM BANK WSH  
197681 EX-IM UT  
Facsimile: (202) 565-3890

4. Governing Law. The Ex-Im Bank portion of this Agreement shall be governed by and construed in accordance with, the laws of the District of Columbia, United States of America.